

ORIGINAL



0000147666

BEFORE THE ARIZONA CORPORATION COMMISSION  
RECEIVED

COMMISSIONERS

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

2013 AUG 26 P 2:51

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF  
PAYSON WATER CO., INC., AN ARIZONA  
CORPORATION, FOR A DETERMINATION OF  
THE FAIR VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
WATER RATES AND CHARGES FOR UTILITY  
SERVICE BASED THEREON.

DOCKET NO. W-03514A-13-0111

IN THE MATTER OF THE APPLICATION OF  
PAYSON WATER CO., INC., FOR AUTHORITY  
TO ISSUE EVIDENCE OF INDEBTEDNESS IN  
AN AMOUNT NOT TO EXCEED \$1,238,000 IN  
CONNECTION WITH INFRASTRUCTURE  
IMPROVEMENTS TO THE UTILITY SYSTEM;  
AND ENCUMBER REAL PROPERTY AND  
PLANT AS SECURITY FOR SUCH  
INDEBTEDNESS.

DOCKET NO. W-03514A-13-0142

PROCEDURAL ORDER

**BY THE COMMISSION:**

On April 22, 2013, Payson Water Co., Inc. ("PWC" or "Company") filed with the Arizona Corporation Commission ("Commission") an application in Docket No. W-03514A-13-0111 for a determination of the fair value of its utility plant and property and for increases in its water rates and charges for utility service ("Rate Application").

On May 27, 2013, PWC filed with the Commission an application in Docket No. W-03514A-13-0142 for authority to (1) issue evidence of indebtedness in an amount not to exceed \$1,238,000 on the terms and conditions set forth by the Water Infrastructure and Finance Authority ("WIFA"), and (2) encumber its real property and utility plant as security for such indebtedness ("Finance Application").

On June 3, 2013, the Rate Application was deemed sufficient and PWC was classified as a Class C utility.

Arizona Corporation Commission

DOCKETED

AUG 26 2013

DOCKETED BY

*WR*

On July 2, 2013, a Procedural Order was issued setting the Rate Application for hearing beginning December 9, 2013, and establishing other procedural filing dates.

On August 15, 2013, PWC filed a Motion to Consolidate Proceedings and Request for Expedited Procedural Schedule. PWC requested that the Rate and Finance dockets be consolidated and that a new, expedited procedural schedule be established to enable the Company to pursue an opportunity to build an interconnection between the Town of Payson and PWC's Mesa del Caballo system.

On August 20, 2013, Staff filed its Response to Motion to Expedite. Staff stated that it does not oppose the consolidation request, but opposes PWC's request to expedite the entire proceeding. Staff proposed that a procedural conference be convened to discuss scheduling.

On August 22, 2013, PWC filed a Reply in Support of Motion to Consolidate Proceedings and Request for Expedited Procedural Schedule. The Company states that the entire consolidated proceeding should be expedited to afford rate relief in conjunction with commencement of the pipeline project, or that the matter should be bifurcated with expedited consideration of the Finance Application and interim rate relief.

IT IS THEREFORE ORDERED that **Docket Nos. W-03514A-13-0111 and W-03514A-13-0142 are hereby consolidated.**

IT IS FURTHER ORDERED that a **procedural conference shall be held on September 4, 2013, at 1:00 p.m., at the offices of the Commission, 1200 West Washington, Phoenix, Arizona 85007, Hearing Room No. 1**, to discuss scheduling and other procedural matters.

IT IS FURTHER ORDERED that the *Ex Parte* Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that all parties must comply with the Rules of the Arizona Supreme Court 31 and 38, and A.R.S. §40-243 regarding the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the

Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation to appear at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge.

IT IS FURTHER ORDERED that the time periods specified herein shall not be extended pursuant to Rule 6(a) or (e) of the Arizona Rules of Civil Procedure.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order by subsequent Procedural Order or by ruling at hearing.

DATED this 26<sup>th</sup> day of August, 2013.



DWIGHT D. NODES  
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE


Copies of the foregoing mailed  
this 26<sup>th</sup> day of August, 2013, to:

Jay L. Shapiro  
FENNEMORE CRAIG, P.C.  
2394 E. Camelback Road, Suite 600  
Phoenix, Arizona 85016  
Attorneys for Payson Water Co., Inc.

Janice Alward, Chief Counsel  
Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington Street  
Phoenix, Arizona 85007

Steven M. Olea, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington Street  
Phoenix, Arizona 85007

ARIZONA REPORTING SERVICE, INC.  
2200 N. Central Avenue, Suite 502  
Phoenix, Arizona 85004-1481

By:   
Debbi Person  
Assistant to Dwight D. Nodes